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DEPARTMENT OF DEFENSE

Office of the Secretary

(Transmittal Nos. 11-29)

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English,
DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives,
Transmittals 11-29 with attached transmittal and policy justification.

Dated: November 4, 2011.

Aaron Siegel,
Alternate OSD Federal Register Liaison Officer,
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

The Honorable John A. Boehner
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

OCT 26 2011

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 11-29, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to the Kingdom of Saudi Arabia for major defense equipment estimated to cost \$33 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

Richard A. Genaille, Jr.
Deputy Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Regional Balance (Classified Document Provided Under Separate Cover)



Transmittal No. 11-29

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

- (i) Prospective Purchaser: Kingdom of Saudi Arabia, Ministry of Defense and Aviation (MODA)
- (ii) Total Estimated Value:

Major Defense Equipment*	\$ 31 million
Other	\$ <u>2 million</u>
TOTAL	\$ 33 million
- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: 124 M1151A1-B1 Up-Armored High Mobility Multi-Purpose Wheeled Vehicles (HMMWVs) and 99 M1152A1-B2 Up-Armored HMMWVs, with supplemental armor kits, spare and repair parts, support and test equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor engineering, technical and logistics support services, and other related elements of logistical and program support.
- (iv) Military Department: Army (UDL, VUI, VUJ, VUO, VUQ)
- (v) Prior Related Cases, if any: FMS Case VMZ, A10 - \$1.1 billion – 21 Dec 07
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: None
- (viii) Date Report Delivered to Congress: 26 October 2011

* as defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Saudi Arabia – M1151A1-B1, M1152A1-B2 HMMWVs

The Kingdom of Saudi Arabia has requested a possible sale of 124 M1151A1-B1 Up-Armored High Mobility Multi-Purpose Wheeled Vehicles (HMMWVs) and 99 M1152A1-B2 Up-Armored HMMWVs, with supplemental armor kits, spare and repair parts, support and test equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor engineering, technical and logistics support services, and other related elements of logistical and program support. The estimated cost is \$33 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country that has been, and continues to be, an important force for political stability and economic progress in the Middle East.

The proposed sale will provide a highly mobile and light combat vehicle capability enabling the Royal Saudi Land Forces (RSLF) to rapidly engage and defeat perimeter security threats and readily employ counter and anti-terrorism measures. The RSLF already has HMMWVs in its inventory and will have no difficulty absorbing these vehicles.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The prime contractor will be AM General of South Bend, Indiana. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to Saudi Arabia.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.